

## CHAPTER 52

### MEDICAID FRAUD CONTROL INVESTIGATIVE COSTS

H.F. 389

**AN ACT** relating to investigative costs of the Medicaid fraud control unit.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 249A.7, subsection 3, Code 2011, is amended to read as follows:

3. a. A Medicaid fraud account is created in the general fund of the state under the authority of the department of inspections and appeals. Moneys from penalties, investigative costs recouped by the Medicaid fraud control unit, and other amounts received as a result of prosecutions involving the department of inspections and appeals investigations and audits to ensure compliance with the medical assistance program that are not credited to the program may be credited to the account.

b. Notwithstanding sections 8.33 and 8.39, moneys credited to the account shall not revert to any other account or fund and are not subject to transfer except as specifically provided by law. Moneys in the fund shall be used for costs associated with the department of inspections and appeals' efforts to address medical assistance program fraud and abuse and for costs incurred by the department of inspections and appeals or other agencies in providing regulation, responding to allegations, or other activity involving chapter 135O.

c. The department of inspections and appeals and other agencies receiving moneys from the account shall provide a joint annual report to the governor and general assembly detailing the expenditures from the account and activities performed relating to the expenditures. ~~This subsection is repealed on July 1, 2012.~~

d. For the purposes of this subsection, "investigative costs" means the reasonable value of a Medicaid fraud control unit investigator's, auditor's, or employee's time, any moneys expended by the Medicaid fraud control unit, and the reasonable fair market value of resources used or expended by the Medicaid fraud control unit in a case resulting in a criminal conviction of a provider under this chapter or chapter 714 or 715A.<sup>1</sup>

Sec. 2. Section 910.1, subsection 4, Code 2011, is amended to read as follows:

4. "Restitution" means payment of pecuniary damages to a victim in an amount and in the manner provided by the offender's plan of restitution. "Restitution" also includes fines, penalties, and surcharges, the contribution of funds to a local anticrime organization which provided assistance to law enforcement in an offender's case, the payment of crime victim compensation program reimbursements, payment of restitution to public agencies pursuant to section 321J.2, subsection 13, paragraph "b", court costs including correctional fees approved pursuant to section 356.7, court-appointed attorney fees ordered pursuant to section 815.9, including the expense of a public defender, and the performance of a public service by an offender in an amount set by the court when the offender cannot reasonably pay all or part of the court costs including correctional fees approved pursuant to section 356.7, or court-appointed attorney fees ordered pursuant to section 815.9, including the expense of a public defender, and payment to the medical assistance program pursuant to chapter 249A for expenditures paid on behalf of the victim resulting from the offender's criminal activities including investigative costs incurred by the Medicaid fraud control unit pursuant to section 249A.7.

Sec. 3. Section 910.2, subsection 1, Code 2011, is amended to read as follows:

1. In all criminal cases in which there is a plea of guilty, verdict of guilty, or special verdict upon which a judgment of conviction is rendered, the sentencing court shall order that restitution be made by each offender to the victims of the offender's criminal activities, to the clerk of court for fines, penalties, surcharges, and, to the extent that the offender is reasonably able to pay, for crime victim assistance reimbursement, restitution to public agencies pursuant to section 321J.2, subsection 13, paragraph "b", court costs including

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<sup>1</sup> See chapter 127, §49, 89 herein

correctional fees approved pursuant to section 356.7, court-appointed attorney fees ordered pursuant to section 815.9, including the expense of a public defender, when applicable, contribution to a local anticrime organization, or restitution to the medical assistance program pursuant to chapter 249A ~~for expenditures paid on behalf of the victim resulting from the offender's criminal activities~~. However, victims shall be paid in full before fines, penalties, and surcharges, crime victim compensation program reimbursement, public agencies, court costs including correctional fees approved pursuant to section 356.7, court-appointed attorney fees ordered pursuant to section 815.9, including the expenses of a public defender, contributions to a local anticrime organization, or the medical assistance program are paid. In structuring a plan of restitution, the court shall provide for payments in the following order of priority: victim, fines, penalties, and surcharges, crime victim compensation program reimbursement, public agencies, court costs including correctional fees approved pursuant to section 356.7, court-appointed attorney fees ordered pursuant to section 815.9, including the expense of a public defender, contribution to a local anticrime organization, and the medical assistance program.

Approved April 13, 2011